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PUBLIC SERVICE COMMISSION

February 19, 2004

FACSIMILE AND MAILED

Mr. Thomas M. Dorman Executive Director Public Service Commission 211 Sower Boulevard Frankfort, KY 40602

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FUBLIC SERVICE COMMISSION

Re: Case No. 2003-00030 Case No. 2000-00079

Dear Mr. Dorman:

Please find enclosed for filing with the Commission in the above-referenced cases an original and five copies of the Responses of East Kentucky Power Cooperative, Inc. to Data Requests made during the hearing in this case on February 5, 2004

Very truly yours,

Charles A. Lile

Senior Corporate Counsel

Enclosures

Cc: Parties of Record

### EAST KENTUCKY POWER COOPERATIVE, INC. PSC CASE NO. 2000-00079/2003-000030

INFORMATION REQUEST RESPONSE

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PUBLIC SERVICE COMMISSION DATA REQUEST AT HEARING FEBURARY 5, 2004 REQUEST NO. 1

**RESPONDING PERSON: David Eames** 

Request No. 1 (a): Who is responsible under the Power Purchase Agreement for upgrades needed to add the KPE project to the EKPC system?

Response No. 1 (a): Pursuant to Article II of the Power Purchase Agreement, EKPC is responsible for costs of interconnection facilities to connect the KPE project to the EKPC system.

Request No. 1 (b): Would FERC Order 2003 affect the contract responsibility for these costs?

Response No. 1 (b): EKPC does not believe that Order 2003 would have any effect on this allocation of costs.

# EAST KENTUCKY POWER COOPERATIVE, INC. PSC CASE NO. 2000-00079/2003-000030 INFORMATION REQUEST RESPONSE

PUBLIC SERVICE COMMISSION DATA REQUEST AT HEARING FEBURARY 5, 2004 REQUEST NO. 2

**RESPONDING PERSON: David Eames** 

Request No. 2: Has an analysis been conducted by EKPC to determine if KPE could meet a commercial operation date for its project which would be soon enough to allow EKPC to defer the construction of one or both of the combustion turbine units that are now scheduled for installation in 2007?

**Response No. 2:** EKPC has not prepared such an analysis.

# EAST KENTUCKY POWER COOPERATIVE, INC. PSC CASE NO. 2000-00079/2003-000030 INFORMATION REQUEST RESPONSE

PUBLIC SERVICE COMMISSION DATA REQUEST AT HEARING FEBURARY 5, 2004 REQUEST NO. 3

**RESPONDING PERSON: David Eames** 

Request No. 3:

Are the present value revenue requirements in Eames Prepared

Testimony Exhibit I based on sales of excess generation shown on

Exhibit II and prices shown on Exhibit III to that testimony? If not,

explain the assumptions used in Exhibit I.

Response No. 3:

The NPV revenue requirements in Exhibit I are consistent with the tables in Exhibit II and Exhibit III. The Average Forecasted Market Price in the table in Exhibit III is an average of the hourly prices for each year used by the model for purchased power, while power sales are priced at a discount to those in the table.

### EAST KENTUCKY POWER COOPERATIVE, INC. PSC CASE NO. 2000-00079/2003-000030 INFORMATION REQUEST RESPONSE

PUBLIC SERVICE COMMISSION DATA REQUEST AT HEARING **FEBURARY 5, 2004 REQUEST NO. 4 RESPONDING PERSON: David Eames** 

Request No. 4:

Did the Rural Utilities Service approve the Power Purchase

Agreement? If so, provide documentation.

Response No. 4: Attached is the notice of RUS's approval of the Power Purchase

Agreement dated June 6, 2000.



#### United States Department of Agriculture Rural Development

Rural Business-Cooperative Service • Rural Housing Service • Rural Utilities Service Washington, DC 20250

JUN 6 2000

Mr. Roy M. Palk President and Chief Executive Officer East Kentucky Power Cooperative, Inc. P.O. Box 707 Winchester, Kentucky 40392-6008

Dear Mr. Palk:

We are pleased to inform you that the Power Purchase Agreement between Kentucky Pioneer Energy L.L.C. and East Kentucky Power Cooperative, Inc. dated January 14, 1999 along with the Amendment No. 1 to the Power Purchase Agreement between Kentucky Pioneer Energy L.L.C. and East Kentucky Power Cooperative, Inc. dated September 28, 1999 received administrative approval on June 6, 2000.

We are retaining a copy of the agreement for our files and returning the remaining copies for your files.

Sincerely,

WEI M. MOY

Chief, Power Resources and Planning Branch Power Supply Division

Enclosures